

AMENDED IN ASSEMBLY APRIL 26, 2005

AMENDED IN ASSEMBLY APRIL 13, 2005

CALIFORNIA LEGISLATURE—2005–06 REGULAR SESSION

ASSEMBLY BILL

No. 1723

Introduced by Assembly Member La Malfa

February 22, 2005

An act to add Section 25302.5 to the Public Resources Code, ~~and to add Section 380 to the Public Utilities Code~~, relating to energy resources.

LEGISLATIVE COUNSEL'S DIGEST

AB 1723, as amended, La Malfa. Integrated energy policy report: ~~electric utilities~~ *load loss*.

Existing law requires the State Energy Resources Conservation and Development Commission to prepare an integrated energy policy report every 2 years. Existing law requires the report to contain an overview of major energy trends and issues facing the state, including, but not limited to, supply, demand, pricing, reliability, efficiency, and impacts on public health and safety, the economy, resources, and the environment. ~~Existing law, relative to electrical restructuring, regulates electric service providers.~~

This bill would require each ~~investor-owned utility~~ *electrical corporation* and each existing local publicly owned electric utility, as defined, that services retail customers and is required by the commission to file load forecasts, to provide the commission with its forecast, as part of each integrated energy policy report, of (1) the amount of forecasted load that may be lost to community choice aggregation, acquisition of territory by an existing local publicly owned electric utility, or creation of a new publicly owned utility, and

(2) the load that will be served by an energy service provider. The bill would require the commission to perform an *informational* assessment ~~in each investor-owned utility~~ *the service territory of each electrical corporation* of the loss of load specified in (1) and submit the results of ~~the~~ *that* assessment to the Public Utilities Commission.

~~The bill would require each entity that provides electricity at retail, as described, to, at a minimum, meet the most recent minimum planning reserve and reliability criteria either approved by the Board of Trustees of the Western Systems Coordinating Council or adopted by the Western Electricity Coordinating Council, as specified.~~

~~Under existing law, a violation of the Public Utilities Act is a crime.~~

~~Because certain provisions of this bill would be part of the act, this bill would impose a state-mandated local program by creating a new crime.~~

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for a specified reason.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: ~~yes~~ *no*.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 25302.5 is added to the Public
- 2 Resources Code, to read:
- 3 25302.5. (a) As part of each integrated energy policy report
- 4 required pursuant to Section 25302, ~~each investor-owned utility~~
- 5 *electrical corporation* and each existing local publicly owned
- 6 electric utility, as defined in subdivision (d) of Section 9604 of
- 7 the Public Utilities Code, that serves retail customers and is
- 8 required by the commission to file load forecasts, shall provide
- 9 the commission with its forecast of both of the following:
- 10 (1) The amount of forecasted load that may be lost to any of
- 11 the following:
- 12 (A) Community choice aggregation.
- 13 (B) Acquisition of territory by an existing local publicly
- 14 owned electric utility, as defined in subdivision (d) of Section
- 15 9604 of the Public Utilities Code.

1 (C) Creation of a new publicly owned utility.

2 (2) Load that will be served by an energy service provider.

3 (b) The commission shall perform an assessment in ~~each~~
4 ~~investor-owned utility service territory~~ *the service territory of*
5 *each electrical corporation* of the loss of load described in this
6 section and submit the results of the assessment to the Public
7 Utilities Commission.

8 ~~SEC. 2. Section 380 is added to the Public Utilities Code, to~~
9 ~~read:~~

10 ~~380. Each entity that provides electricity at retail, including,~~
11 ~~but not limited to, an electrical corporation, a local publicly~~
12 ~~owned electric utility as defined in subdivision (d) of Section~~
13 ~~9604 that serves retail customers, a nonutility electric service~~
14 ~~provider, or a community choice aggregator, shall, at a minimum,~~
15 ~~meet the most recent minimum planning reserve and reliability~~
16 ~~criteria either approved by the Board of Trustees of the Western~~
17 ~~Systems Coordinating Council or adopted by the Western~~
18 ~~Electricity Coordinating Council.~~

19 ~~SEC. 3. No reimbursement is required by this act pursuant to~~
20 ~~Section 6 of Article XIII B of the California Constitution because~~
21 ~~the only costs that may be incurred by a local agency or school~~
22 ~~district will be incurred because this act creates a new crime or~~
23 ~~infraction, eliminates a crime or infraction, or changes the~~
24 ~~penalty for a crime or infraction, within the meaning of Section~~
25 ~~17556 of the Government Code, or changes the definition of a~~
26 ~~crime within the meaning of Section 6 of Article XIII B of the~~
27 ~~California Constitution.~~

28 *(c) The assessment performed by the commission pursuant to*
29 *subdivision (b) is for informational purposes only and shall not*
30 *be considered conclusive for purposes of determining cost*
31 *recovery or exit fees.*